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## **THE PERIPLUS' STRATAGEMA AS DIPLOMATIC GEOPOLITICS TRADITIONS: THEORETICAL REFLECTION OF CHINA'S "THE ONE BELT AND ONE ROAD"**

**Purpose of the article.** The article is devoted to the diplomatic praxeology of the geopolitical concept of the Chinese Silk Road. **Scientific novelty** consists in positioning diplomacy as an international political phenomenon that requires constant scientific reflection, ideological and theoretical verification, ideological praxeologization in search of a relationship model in the traditional triad of influence mechanisms "(1) cooperation - 2) neutrality - 3) confrontation)" in that the context that traditional basic models of diplomacy have developed in the Ancient East, in particular in the practice of the elites of China, Persia, India, Sumer. In the context of this concept, the modern world political stratagem of China "One Belt and One Road" is being clarified. **Methodology.** Historical-logical, systemic, and scenario analysis methods are used to clarify: (1) the role of Chinese geopolitical strategies in the plans of the elite to change the content of the world political process; (2) the place of the "One Belt and One Road" stratagem in the elite's plans to transform China into a world leader; (3) the role of resource interests in these projects; (4) the role and interests of other countries in project implementation; (5) the level of influence on the vectors of world politics of the triad of interaction options "(1) USA - (2) EU - (3) elite of Central Asia". **Conclusions.** Chinese leaders have taken advantage of the relative decline in Russian and US influence in Afghanistan to expand their influence. The Chinese concept of the new Silk Road is aimed at ensuring the supply of natural resources, in particular energy from the gas and oil fields in Central Asia, as well as through the Malacca Strait and the Arctic regions.

**Keywords:** geopolitics of the Silk Road, resource diplomacy of China.

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**Періплус стратагема як дипломатична геополітична традиція: теоретична рефлексія китайського проекту "Один пояс та один шлях"**

**Мета дослідження.** Стаття присвячена дипломатичній праксеології геополітичної концепції китайського Шовкового шляху. **Наукова новизна** полягає в позиціонуванні дипломатії як міжнародно-політичний феномен, що вимагає постійної наукової рефлексії, ідейно-теоретичної верифікації, ідеологічної праксеологізації в пошуках моделі відносин в традиційній тріаді механізму впливу "(1) співпраця - 2) нейтралітет - 3) конфронтація)" в тому контексті, що традиційні основні моделі дипломатії розвинулися на Стародавньому Сході, зокрема в практиці еліт Китаю, Персії, Індії, Шумеру. В контексті цього концепту прояснюється сучасна світова політична стратагема Китаю "One Belt and One Road". **Методологія.** Історико-логічний і системний методи аналізу використовуються для уточнення: (1) ролі китайських геополітичних стратегій в планах еліти змінити зміст світового політичного процесу; (2) місце Стратегії «Один пояс і одна дорога» в планах еліти перетворення Китаю в світового лідера; (3) роль ресурсних інтересів в цих проектах; (4) роль та інтереси інших держав щодо реалізації проекту; (5) рівень впливу на вектори світової політики тріади варіантів взаємодії "(1) США - (2) ЄС - (3) еліта Центральної Азії". **Висновки.** Китайські лідери скористалися відносним падінням впливу Росії та США в Афганістані для розширення свого впливу. Китайська концепція нового Шовкового шляху спрямована на забезпечення постачання природних ресурсів, зокрема енергоносіїв - із газових та нафтових родовищ у Центральній Азії, а також через протоку Малакка та арктичні регіони.

**Ключові слова:** геополітика Шовкового шляху, ресурсна дипломатія Китаю

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**Периплус стратагема как дипломатическая геополитическая традиция: теоретическая рефлексия китайского проекта «Один пояс, одна дорога»**

**Цель исследования.** Статья посвящена дипломатической праксеологии геополитической концепции китайского Шелкового пути. **Научная новизна** заключается в позиционировании дипломатии как международно-политический феномен, требующий постоянной научной рефлексии, идейно-теоретической верификации, идеологической праксеологизации в поисках модели отношений в традиционной триаде механизма влияния "(1) сотрудничество - 2) нейтралитет - 3) конфронтация)" в том контексте, что традиционные основные модели дипломатии развились на Древнем Востоке, в частности в практике элит Китая, Персии, Индии, Шумера. В контексте этого концепта проясняется современная мировая политическая стратагема Китая "OneBeltandOneRoad". **Методология.** Историко-логический, системный, сценарный методы анализа

используются для уточнения: (1) роли китайских геополитических стратегий в планах элиты изменить содержание мирового политического процесса; (2) место стратagemы «Один пояс и одна дорога» в планах элиты преобразовании Китая в мирового лидера; (3) роль ресурсных интересов в этих проектах; (4) роль и интересы других государств по реализации проекта; (5) уровень влияния на векторы мировой политики триады вариантов взаимодействия "(1) США - (2) ЕС - (3)" элита Центральной Азии". **Выводы.** Китайские лидеры воспользовались относительным падением влияния России и США в Афганистане для расширения своего влияния. Китайская концепция нового Шелкового пути направлена на обеспечение поставок природных ресурсов, в частности энергоносителей - из газовых и нефтяных месторождений в Центральной Азии, а также через пролив Малакка и арктические регионы.

**Ключевые слова:** геополитика Шелкового пути, ресурсная дипломатия Китая.

The main traditions of diplomacy of classical antiquity, in our opinion, may be entered in a number of models: Chinese, Persian, Indian, Hellenic, and Sumerian. It is possible to single out several politico-stratagemic triads - persistent concepts of domestic politics and international politics: (1) peace - war - trade; (2) negotiations - a contract - a compromise; (3) strength - morality - truth; (4) power - trust - faith; (5) politics - manoeuvre - dialogue; (6) need - interest - goal. As you can see, here we are talking about a certain dialectical equilibrium between our operating concepts.

Stratagemic triad "(1) need - (2) interest - (3) goal have always been in reverence among rulers and diplomats. Livelihood always demanded products, other goods and ways of their delivery. Information about countries, cities, routes was of strategic interest. This interest became the target pursued by the people of trade and also the special envoys. The diplomats and merchants described the information in the form of so-called "Periplus". It was important source of economic and political history. "Periplus" (from other countries - "Swimming around") - is the navigation guide, the routes of the transfer from one port of destination to another. Old Greeks sailors described in his ways to oikumen. With the expansion of their geographical knowledge, more and more of these works appeared. Homer's poems could be considered the first Periplus, but their main task, despite the large number of geographic information and significant spatial movement of heroes, does not contain a description of the mentioned regions. Among Periplus' is a famous work composed by two inhabitants of Massalia (modern Marseille) between 550 and 525 years BC. One of them was called Euthymen. He explored the coast of Africa to the territory of modern Senegal and the Gambia. Another, whose name was not preserved, came to the Iberian and British. The first recorded version of the genre of the Periplus belongs to Skilak from Karianda, which compiled for Persian king Darius I a description of his navigation on the Indus, and then through the Indian Ocean - to the Suez Canal. His description was used by Hecateum of Miletus, Aristotle, Nearch, Strabo. "Periplus Asia" is mentioned by the Byzantine lexicographer Constellation among the works of Ctesias Knidskog. Nearch, a childhood friend of Alexander of Macedon, later the satrap of Lycia and Pamphylia (334-329 BC), commanded a fleet in the army of Alexander and made a description of his return from the river Hipanis to the Tigris. Nearch's data became one of the main sources in shaping the ideas of the ancient world about India. Another famous seafarer who played a significant role in the formation of the genre of the Periplus was Pyfy of Massalia, the author of the lost work "On the Ocean", written about 310-306 years BC. e. From the works of Diodorus of Sicily, Strabo and Pliny the Elder it is known that, having gone. The reign in ancient China of ruler Yu De is associated with the period of China's highest power when there is a transcontinental trade due to the Great Silk Road. In 133 BC - the discovery of a new world in the West (Central Asia, India, Parfia). There is a new task of China's foreign policy - the seizure of control over the trade routes connecting East and West (the Great Silk Road). The most western country visited by the Chinese was Parfia, and later - Rome. In 138-111 BC there is a capture of the Vietnamese states. Opening of the sea route to India, Lanka. Until the middle of 1 century. Han becomes the largest state in the world with a population of more than 50 million people (the population of the Earth - 250 million). Later the Roman Embassy in China was held. The was period of closing and stratagem the "subordination of the barbarians by the hands of the barbarians", the humiliating rituals of the reception of the ambassadors. Further, China continues to evolve in its rhythms of focusing on internal affairs, and then again exits the outside world. After the fall of Constantinople in 1204, the Crusaders opened the way to the East. This was followed by the creation of a caravan path, later called the Great Silk Road, laid by the Venetian merchant Marco Polo. The long journey of Marco Polo to the East, stay at the courtyard of Khan Khubilai is described in his Book of the Marvels of the World or "Description of the World". This Periplus of Marco Polo can be called imperial cosmography. There we can get information about hundreds of cities and regions from Persia to Japan, but not a word about the journey itself. To unravel the mystery of this Periplus means answering the question of a source of information that allowed the Venetian to describe more than 500 cities in the world. None of the medieval travellers mentioned more than a hundred items. The book of Marco Polo can only be compared with Arabic-Persian cosmographies, but they are presented with "late" in 100 - 200 years. While Polo has an actual, that is, secret information. Hence, he had access to the state directory of the cities of the Yuan dynasty. He outlines the content of the map of the Mongol Empire. What was discussed in his work could only be known by the diplomatic agent of the great Khan Khubilai (1215-1294). Neither merchants nor travellers were able to collect such information alone. Consequently, the information flows between East and West were more intense than they were supposed to think today. Trade routes have become an important component of the world-system of the Mongol Empire. Great silk was

disposed of by the Great Kagans, and under their patronage, favourable conditions were created for the development of cultural and trade relations. Falling barriers between states and civilizations, opened the way to a powerful flow of goods and ideas. The first condition for the development of international trade was the creation of a legislative framework and security. In Great Yassi Genghis Khan, there were 4 articles on international relations, 2 articles on financial regulations and 2 on trade. Muslim traveller Abulgazi writes that in this state between Iran and Turan established a lasting peace and the danger of trade does not exist. This was also written by the Florentine Francesco Pelagiot at the beginning of the 14th century in his treatise "Practica della Mercatura" ("Trade Practice"). He, giving detailed instructions for a port land route to northern China via Tan, writes that "This route is safe and day and night, because peace and order. New economic and cultural centres such as Kara-Korum, Hanbalhas, Saray-Batu, Berke-Saray, Bulgar, Ukek, Gulistan, and Siganak have emerged. These cities and ports of the Mongolian State of Yuan in China and the Golden Horde in the West began to compete with Venetian and Genoese shopping centres.

The results of comparing the strategies of proto-state administration in China and in Europe confirms the thesis of the importance of common features in the development of various civilizations. However, discrepancies were also can be found: Greek scientists developed management strategies seeking rationality, and Chinese effective stratagems. The ancient Greeks sought "power of sciences (technai)" in the "calculation" (logismos) "measures (metron)", and the Chinese stratagems to obtain the desired. The purely Chinese model of diplomacy has yet to be studied in very limited circumstances. It is even less known who and when they began to emulate it. Only recently it became clear that strategically-stratagemic conceptual dilemma was used by the ancient Greeks, for the definition of military affairs in general and military cunning, in particular. Roman commandant Sextus Julius Frontin prepared in the 1st century BC. Summarizing this work "Stratagemata" (plural from stratagema) devoted to sophisticated strategies in military conflicts. This circumstance returns us to the need for a newly conceptual review of the dictation of "stratemea" - "stratagem". In the years of the Late Middle Ages, the concept of "strategam" began to gain more and more wide-ranging content. The Spanish Jesuit, Balthasar Grasian (mid XVII century), used this notion to refer to the phenomenon associated with secret and intricate methods of ensuring influence in political activity in his famous pocket oracle (mid XVII century) treatise. Subsequently, in Western European culture, strategies were used as intrigues, tricks, manipulations of consciousness and actions in a subjective environment. We can suggest that at the beginning of the XVIII century the Chinese tradition of strategical/stratagem diplomacy laid the foundation for the development of the outstanding scientist and diplomat Leibniz. Austrian diplomat and prime minister V.A. Kaunitz in the second half of the XVIII century developed the theory of a geometric revolution in the diplomacy of alliances on this China' ideas. However, the most extensive studies of strategic diplomacy were initiated by analysts in the US, Europe, Russia, Western Europe only in the twentieth century, when Deng Xiaoping opened China again.

The Silk Road Economic Belt was unveiled by Xi Jinping at Nazarbayev University on September 7, 2013 as part of his state visit to Kazakhstan. The New Maritime Silk Road was announced before the Indonesian Parliament on October 3, 2013, as part of Xi Jinping's state visit to Indonesia. The importance of the One Belt, One Road initiative is suggested by the fact that Beijing announced in late March 2015 that it had established "a special leading group to oversee the implementation of the Belt and Road initiatives." The statement said the leading group would be in charge of "guiding and coordinating work related to the initiative. But it did not specify its members". The office of the group was placed under the National Development and Reform Commission (NDRC), China's top economic planner. According to authoritative, quasi-authoritative, and non-authoritative Chinese sources, the One Belt, One Road initiative consists of several economic and some non-economic elements. Perhaps the most frequently mentioned economic element is a Chinese commitment to invest heavily in a wide variety of infrastructure projects in order to strengthen the economic capacity and "connectivity" among the nations within the One Belt, One Road area and with China's western regions. For example, in October 2013 remarks delivered at a conference on China's diplomacy toward the periphery, Xi Jinping stated that China must "make common efforts with relevant countries to accelerate the pace of infrastructure and connectivity construction [and] build well the Silk Road Economic Belt and the 21st Century Maritime Silk Road. To reinforce the importance of this key element, one non-authoritative source stresses the "rare" high level of complementarity between the critical demand for infrastructure development among the developing countries of the One Belt, One Road regions and "China's mature and strong infrastructure construction capabilities and financial strength." The source adds, a little dramatically, that "it is rare for national development strategies to fit together this well. It is almost as if fate had taken opportunities to simultaneously receive capital and engineering capabilities to those countries, while providing new depth to for China to upgrade its development strategy." Authoritative and non-authoritative Chinese sources identify several mechanisms designed entirely or in part to support such infrastructure development, including the Silk Road Fund and the Asia Infrastructure Investment Bank (AIIB), as well as Chinese foreign aid and the private capital of both Chinese and foreign business entities. More broadly, from the perspective of China's overall development policies, the One Belt, One Road concept is seen by many Chinese sources as a major (indeed, for some, a key) element of the economic reform process itself. Shortly after being announced, the initiative was explicitly linked to Chinese reforms in a decision of the Third Plenum of the 18th CCP CC in November 2013.

The quasi-authoritative source Zhong Sheng describes the One Belt, One Road initiative as “a masterstroke of deepening China's reform and opening up and furthering peripheral diplomacy.” Given the scope and significance of the One Belt, One Road initiative, it is not surprising that Foreign Minister Wang Yi stated during the 2015 National People's Congress that in 2015, “making all-round progress in the Belt and Road initiative” constitutes the “key focus” for Chinese diplomacy. Indeed, as one non-authoritative source states, “The fact that a single initiative is taken as the focus of China's diplomatic work for the whole year shows the weight given to the One Belt, One Road strategy in China's diplomacy.” Furthermore, both authoritative and quasi-authoritative Chinese sources highlight the importance of the One Belt, One Road initiative by stressing its supposed compatibility with the “purposes and principles of the UN Charter ... [and] the Five Principles of Peaceful Coexistence: mutual respect for each other's sovereignty and territorial integrity, mutual non-aggression, mutual non-interference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence. The scope and content of the One Belt, One Road initiative is rather breathtaking, and its goals quite ambitious. One authoritative source contends that the initiative should promote five major goals among its constituent nation states: “policy coordination, facilities connectivity, unimpeded trade, financial integration and people-to-people bonds [18, pp.1-24].

Maritime Silk Road initiative is a grandiose initiative of connecting China to the World. In recent years, China's active advances into maritime area, the South China Sea in particular, has been causing many frictions with neighbouring countries. From the security viewpoint, China's active advances are intended to defend China's coastal cities and to protect China's oil transport route. From the economical viewpoint, it is to secure maritime resources and protect China's marine rights and interests. China has been deemed to be a continental power so far. Recently, China has started to assert itself as a marine power. China has sought to expand the marine rights and embarked on securing maritime resources. This trend has been leading to the enhancement for Chinese Navy's power. It was in 1970's that China started the marine advance on a full-scale basis. The U.N. Economic Commission for Asia and the Far East (ECAFE) had conducted a geophysical survey and reported in 1969 that the continental shelf between Taiwan and Japan, in the East China Sea, would be extremely rich in oil reserves. The report enhanced China's willingness for marine advance. China had started to assert territorial rights to the islands. China instituted the territorial waters by a domestic law in 1992 and newly provided that the Senkaku Islands are an integral part of their territory. China released the National Defence Law in 1996 and stipulated that the “protection of maritime rights and interests” was the mission of the Navy. Jiang Zemin adopted the going-out strategy at the 16th National Congress of the Communist Party of China in November 2002. The “implementation of maritime development” was also included in the report and was set as China's important policies. In May 2003, the State Council issued a document called “Outline of the National Ocean Economic Development Plan”, and reported the value of marine resources development. It described that about 70% of Chinese oil and gas fields remain dormant in the deep sea.

China's marine advance is based on the vital problem of securing resources. The Chinese economy's degree of dependence on foreign trade is over 60%, and nearly 80% of China's foreign trade has been done by maritime transportation. The ocean has already be in an important position in the development of the Chinese economy. “The shifting from the land to the ocean, and from adjacent waters to deep waters” has already been an important pillar of China's development strategy. At the 12th National Congress of the Communist Party of China in November 2012, Hu Jintao reported that we strengthen our capability to develop maritime resources, develop the maritime economy, protect marine ecosystems, defend our maritime rights at all cost and build the “China into a maritime power.” According to the administration of State Oceanic Administration, the “China into a maritime power” means a country with comprehensive strength in the development, use, protection, management and control of the ocean. “Administrative reform relating to maritime issues has been also underway. China's maritime authority has been divided among five agencies; State Oceanic Administration, Maritime Bureau, Bureau of Fisheries Administration, Customs, Ministry of Public Security, as often described as “five dragons controlling the ocean . In addition, there are some movements at the level of eleven coastal provinces (Liaoning, Hebei, Shandong, Jiangsu, Zhejiang, Fujian, Guangdong, Hainan), municipalities (Tianjin and Shanghai) and autonomous region (Guangxi) in total. In March 2013, it was decided that the national mechanism in charge of the maritime policy would undergo institutional reform. by this reform, the State Oceanic Committee was newly established as a high-level coordination mechanism [21, pp.79-89].

In all times Chinese elites have presented their own theoretical or ideological concepts: to the development of “socialism with Chinese characteristics” – adapting to the changing challenges; Jiang Zemin's “Sange Daibiao (“Three Represents”) that started to allow private business people into the party; Hu Jintao's “Kexue Fazhan Guan” (“Scientific Concept of Development”) that was to open for a more sustainable – both in terms of ecological and social costs – economic growth model. By the time of the elevation of Xi Jinping as CCP general secretary in 2012 at the 18th CCP Congress and as state president in March 2013 was promoted the slogan about “Chinese dream” connected with other Xi's slogan “Sige Quanmian” (“Four Comprehensives”) [6; 7; 8, pp.14-31; 17, pp.53-73]. At the 19-th CCP Congress in 2017 Xi Jinping thought on Socialism with Chinese Characteristics for a New Era, was written into the party's constitution and the first time since Mao Zedong. Tracing modern Chinese history from China's humiliating defeat by Great Britain in

the mid-nineteenth century, Xi highlighted the “Chinese dream” as a unifying theme for the Chinese to: (1) achieve a great national revival and the ‘new type of Great Power relations’, which is supposed to characterize Sino-American relations since Xi met Obama; (2) promote relations with states around China’s borders; (3): build the ‘one belt, one road’ initiative (OBOR). Hu Jintao had earlier evoked the possibility of some kind of new Silk Road initiative, but it had not gone anywhere. Then in autumn 2013 President Xi visited Kazakhstan and Russia, where he announced plans primarily for transport projects with a view to creating an ‘economic belt’. The projects together comprise a series of overlapping elements – upgraded and developed transcontinental railway routes, highways, port facilities and energy pipelines. OBOR potentially involves over 60 countries with a combined population of over 4 billion people, whose markets currently account for about one-third of global GDP [9]. According to China’s Ministry of Commerce, from January – August 2016, Chinese companies signed 3,912 project contracts throughout 61 countries. The value of those projects amounted to 69.82 billion dol. OBOR is a second wave of Chinese overseas investments and should be seen as a renewed version of China’s 2000 Going Out policy, also known as China’s “Go Global” strategy. The Belt is related to six planned economic corridors stretching outwards from China throughout Eurasia, some of which merge with the Road. In the EU, these corridors end up in Rotterdam, Hamburg, Prague, Madrid. Minister of Foreign Affairs of China Wang Yi explained political purpose of the OBOR in such words as: peace and developments with neighbouring countries; trilateral cooperation of China-Japan-South Korea, North Korea, India and members of the Association of Southeast Asian Nations; exploring free trade agreements [11] based on the continuation and development of the spirit of the ancient Silk Road.

The referral to the BRI’s topic is justified by search of qualified ground from which to answer some of questions: (1) is any measure of interaction and dependence of traditional context China’s stratagems’ geopolitics and modern international relation principal; (2) about dreams of China elite not only about expanding the Chinese economy by acquiring resources and markets for China’s exports, but also on modernizing the world’s largest military force; (3) about possibility of a more aggressive Chinese foreign policy behaviour with declarations of more air defence identification zones and introductions of more oil drilling rigs and artificial islands in disputed territorial waters; (4) to advance its own diplomatic concepts and initiatives such as the Asian Infrastructure Investment Bank (AIIB) and the BRICS-bank and thereby more proactively seek to shape the international system; (5) the ports, railroads of the OBOR could be used to transport China’s military forces across Asia in the future in order to push pendulum of world economy to swung from West to East.

China now is a country of 1.3 billion people, almost 20% of the world’s population; It consumes 11% of global oil or 27% of the world’s soybeans; China has discovered 171 varieties of minerals, and 158 of them with proved reserves; there are 10 energy-related minerals, including oil, natural gas, coal, uranium. But now it is also the world’s second-largest importer (in 2013, it alone accounted for 31% of global growth in oil demand) [4, pp. 133-139; 19]. China’s dependence on foreign supplies of oil is at nearly 60%, of which roughly half comes from the Middle East and one quarter from Africa, while dependence on foreign supplies of natural gas is at close to 30%, of which nearly 50% comes from Turkmenistan. 80% of China’s energy supplies pass through the Strait of Malacca, which is controlled by the US Navy. In the event of conflict with the USA, China’s access to external energy resources could be interdicted. Therefore, one of China’s objectives is to create alternative energy and raw material channels across land bridges from Central Asia, South East Asia and Pakistan – and the Belt facilitates this endeavour. These channels, mostly through land, run through sovereign states and are thus perceived to be less vulnerable to US interdiction. In particular, the Pakistani port of Gwadar, which is leased by China and serves as part of the southern corridor of the Belt, could support this purpose of maintaining access to energy resources [7, p.7]. However, it should be noted that this route faces topographical challenges as well as security threats from insurgency in Pakistani territory. In addition, China’s construction of pipelines through Central Asia over the past few years, carrying oil from Kazakhstan and natural gas from Turkmenistan and Uzbekistan, has, in relative terms, reduced its dependence on maritime and Russian imports [7]. China contributes more than 90% of global output of the 17 rare earth metals, but its own deposits only account for 36.4% of the world’s total reserve of 100 million tons. China can produce over 400 varieties of rare earth products in more than 1,000 specifications. In 2011, China produced 96,900 tonnes of rare earth smelting separation products, accounting for more than 90 percent of the world’s total output (Situation and Policies of China’s Rare Earth Industry). China formed its own modernization stratagems. The key to Chinese strategy is to rely on the inherent potential of a situation and to be carried along by it as it evolves. It can be formed in such words as “crossing the river by feeling for the stones” [1; 4, p.134]. Such inherent potential we feel in initiatives of Xi and other Chinese foreign policy leaders in their articulation of a new strategic direction for Chinese foreign policy known as: “Fen Fa You Wei” (“striving for achievement”); “Gengjia Jiji”, “be more active”); “Gengjia Zhudong” (“take greater initiative”); “Jiji Jinqu” (“actively go in”) [19]. And necessary to say that this slogans are supported by actions: China itself has committed up to 1 trillion dollars to develop infrastructural investment transport links inside the country, much of which will go to the western part of China that will be part of the ‘belt’; The Asian Infrastructure Investment Bank (AIIB), which China set up in 2015 to both complement and compete with the US- and Japan-dominated Asian Development Bank, reportedly has 65 billion dollars in initial capital to support investments of this type; the China Development Bank has notionally reserved a further 890 billion

for the development of various sections of the corridor outside the country. Some western estimates put the capital requirement for the latter much higher. The overall time-scale for the project has been set at roughly 35 years. But, as it was already mentioned, OBOR has more sound historical tradition. The period between II BC to X AD is interpreted as the most splendid time in the commercial road communication from the East to the West. There were two great centralized empires: Roman Empire and Han Dynasty Empire; Byzantine Empire and Tang Dynasty Empire. The Silk Road's products were: materials (silk, medicaments, spices, wood, iron, copper, gunpowder, and gems), technology (compass) and ideology (different religions). The minerals were very important strategic goods, as the government tried to control its extraction in centralized empires [1; 4, p.135]. This information was used by Richthofen's in 1870–1872 who reported to the European-American Chamber of Commerce in Shanghai on China's regional commercial, mining, and railroad prospects highlighted the significance of future lines running west from Xi'an to coal-rich "northern route" around the Tarim Basin [4, p. 135]. Hedin effectively set Central Asia history and world politics to geological time. Hedin's bid to "Plan for the Revival of the Silk Road" transformed geological Richthofen's Silk into an urgent geopolitical strategy. His first Sino-Swedish scientific expedition (1927–1928) in Central Asia sought the best airline route between Berlin and Peking-Shanghai on behalf of the German government ay Lufthansa; his third Sino-Swedish expedition (1933–1935) plotted a motor-road route between Europe and China financed by the Chinese Nationalist government [8, p.17; 9].

Now Marlène Laruelle, Jean-François Huchet assesses the dimension of Central Asia's XXI century as "Great Game" [15]. They analysed new Silk Road's diplomacy of the major players: one is an "external" party – the U S – insofar as it has no shared borders with the region while the two others – Russia and China – are neighbouring countries. Russian influence has been historical and remains preponderant. The US is actor of the more recent past, but remains tenacious about expanding its presence. China, on the other hand, has had an extraordinary run to leadership in the region. The proposal for a "New Silk Road" from US diplomacy dates back to the 1990 s., when Republican Senator Sam Brownback, who closely cooperated with Prof Frederick Starr in his legislative initiative "Silk Road Act", echoed a strikingly similar initiative. The plans original architect, Frederick Starr, chair of the Central Asia-Caucasus Institute, advanced the proposal in conjunction with the Centre for Strategic and International Studies. At the Istanbul Conference of 2011, Western leadership introduced a controversial template for new security architecture for Central and South Asia. The US diplomacy was going to build "New Silk Road" project as quintessentially of its Greater Central Asia strategy dating back to the George W. Bush presidency for such purposes: facilitating Central Asia's efforts to return to its historic role as the gateway between East and West; Turkmen gas fields could help meet both Pakistan's and India's growing energy needs and provide significant transit revenues for both Afghanistan and Pakistan; Tajik cotton could be turned into linens; Furniture, fruit from Afghanistan could find its way to the markets of Astana, Mumbai; the construction of the nearly one billion dol. Central Asia-South Asia electricity project (CASA-1000) [12]. The CASA-1000 line runs 759 miles through four of the most unstable countries for number of tasks: connect surplus summer hydroelectricity in Kyrgyzstan and Tajikistan to electricity-starved Afghanistan and Pakistan; create alternative energy corridors for post-Soviet countries; break their dependence on Russia's infrastructural ties. It appeared to be that the high-profile nature of the project will make it a target for competition and risks to destabilize the region. The ability of local forces to coordinate and secure of infrastructure alone will be extremely difficult. The U.S. is wary of Russian involvement in the region and its attempt to control any arrangement and undermine Washington's efforts to decouple Central Asia from Moscow's influence. The United States and China have developed competing visions for reviving ancient trade routes connecting Asia and Europe. The U.S. diplomatic strategy focuses on Afghanistan, while China hopes to economically integrate Central and South Asia. India and Russia also have regional ambition.

Russia's interests were confirmed when Russia's Inter RAO-United Electrical Systems signed a 25-year contract with China. Russia has chances and risks in Central Asia but has shown a possibility to reach its diplomatic interests. Russian leaders understand that Kyrgyzstan, Tajikistan, Kazakhstan can go in more integrative relations only in terms of widening energy market. And not only becoming energy exporters, importers, transit countries but member of energy club of equal interests in deal with China, India, Pakistan. Russia's experience with Central Asian electrical systems and its own vast hydroelectric potential makes Russia ready to facilitate Central Asia's hydroelectric needs. It also blends in with the concept of an Energy Club of the Shanghai Cooperation Organization (CSO). The elite of Russia in its decision to participate in the creation of energy and transport corridors in Eurasian region have far reaching geopolitical goals. The leaders of Russia, Kazakhstan, and Belarus have signed in May 2014 a treaty in Astana on the creation of a Russian-led Eurasian Economic Union (EES) which will come into effect in January 2015. Cutting down trade barriers and comprising over 170 million people it will be the largest common market [16].

Russian economic overdependence on China, as a result of which Russia is attempting to connect with Mongolian and South Korean regional integration initiatives and is seeking warmer ties with Japan. Indeed, Russia's 'turn to the East' has put it in a politico-economic position of precarious overdependence on China – this is unlikely to be sustainable and is likely to affect Russian security interests negatively over time. The interlinking of the EEU and the Belt is still unfolding, but it has brought Russia and China close. And Beijing has own plans for a "Polar Silk Road" in the Arctic as global warming allows for the expansion of

shipping routes across the top of the world. China, which does not border the Arctic region but is one of thirteen countries holding observer status with the Arctic Council, released the white paper on Friday calling for greater international cooperation over infrastructure and shipping routes in the Arctic. The Northeast Passage above Russia offers a faster route than the 48 days it can take to sail from northern China to Rotterdam via the Suez Canal. In 2017 a Russian tanker travelled from Norway to South Korea without an icebreaker escort for the first time in a trip that took 19 days. China dreams to have a major role in expanding to network of shipping routes. But this plan contradicts Russian's interests [20].

Scientist Peter Cai writes that exists some problems of OBOR: (1) there is a significant lack of political trust between China and a number of important OBOR countries (the example of this is India, as far the China – Pakistan Economic Corridor project is a major obstacle to Indian involvement in the initiative); (2) nearly two-thirds of OBOR countries have a sovereign credit rating below investable grade (some key OBOR countries such as Pakistan are unstable, which poses significant security risks to Chinese companies as well as personnel working there and the Pakistani military has, for example, promised to raise a special military unit of 12 000 soldiers to protect China–Pakistan Economic Corridor projects); (3) caution on the part of over-leveraged and risk-averse Chinese financiers ( China Development Bank, which is expected to play a key role in financing OBOR, says it is tracking more than 900 projects in 60 countries, Industrial and Commercial Bank of China (ICBC) has been looking at 130 commercially feasible OBOR-related projects) [3]. Scientist Jonathan Hillmans speaks about difficulties of OBOR: 1.China is often the biggest spender, but it is not the only consequential actor (across the Eurasian supercontinent, three zones of competition are emerging: (1)In Southeast Asia, Japan is outspending China in several countries; (2) In Central Asia, the Asian Development Bank and other multilateral development banks (MDB) have significant activities underway; (3) In Eastern and Central Europe, European funders remain dominant in many countries). To be sure, this is not a zero-sum contest, and there are numerous projects with both Chinese and MDB funding. These areas will be important to watch as China continues to compete with, and adapt to, other visions for connectivity; 2.Chinese projects are less open to local and international participation (Out of all contractors participating in Chinese-funded projects within the Reconnecting Asia database, 89% are Chinese companies, 7.6% are local companies, and 3.4% are foreign companies. In comparison, out of the contractors participating in projects funded by the multilateral development banks, 29% are Chinese, 40.8% are local, and 30.2% are foreign. These findings illuminate some difficult practical and political realities; 3.Chinese projects are less transparent at earlier stages of the project lifecycle [10, p.3]. Shin Kawashima - a Professor of international relations at the University of Tokyo analysing the a U.S. think tank based in Washington report at March 2018, claimed that China was posing a severe risk to the finances of a number of countries as a result of its aid activities and excessive lending. The report went on to list seven specific countries whose finances are at serious risk: Mongolia, Laos, Kyrgyzstan, Tajikistan, the Maldives, Djibouti, and Montenegro. Chinese support has a certain appeal over support from other advanced countries. Here exist three challenges: 1.Historically, support from advanced countries has been accompanied by a strong emphasis on areas such as democratization and human rights. It also tends to involve complex procedures, which take time to complete, and crucially doesn't result in the country receiving much money. The framework of south-south cooperation favoured by China is no doubt appealing too. However, China's OBOR policy should not be considered purely from the Chinese perspective. Its partner countries are ultimately choosing China, which in turn bolsters Beijing's dominance. This cannot be explained away in terms of a trade-off, as nothing more than a win-win relationship. It also relies on building trust; 2.Beijing's current actions are effectively the same as those that the Western powers took against China in the late nineteenth and early twentieth centuries. Countries on the receiving end of excessive lending from China need to be careful to avoid following the same path to modernization; 3.Comes down to whether or not China is leveraging economic, cultural and other forms of cooperation under OBOR to guarantee its military security. The infrastructure being built by China, including roads, railways and ports, will not only contribute to economic development in the region, it will also help to improve connectivity throughout Eurasia. At the same time, though, that infrastructure will benefit China's military, enabling Beijing to secure an effective means for communication and the movement of troops in a contingency; 4.China is not currently directly using this infrastructure for its own defence, and its base in Djibouti and other facilities are being used for anti-piracy measures off the coast of Somalia and peacekeeping operations (PKO) in regions such as South Sudan. In terms of capability, though, China's base in Djibouti could potentially fulfil a role that goes beyond PKO and the control of piracy, and the port, railway and communication infrastructure could in theory be used not only for economic purposes but also for military purposes. In cases that involve enhancing this capability, doubts will be expressed by those countries if China does not maintain a certain degree of transparency and accountability and explain its intentions. And if Beijing makes loans that are beyond the ability of the recipient country to repay, China's acquisition of controlling interests in the ports will give its neighbours to understand that it is leveraging this capability and its economic power to acquire those controlling interests. Those on the Chinese side no doubt view things from China's perspective, but they would be well advised to take the views of its neighbours into account [14].

Traditionally, Indian policy toward China has been mostly characterized by continuity. But though Beijing has resolved most of its land border issues with neighbouring Russia, Pakistan and Afghanistan,



India remains an exception. India has other worries over China's growing presence in the region, fearing strategic encirclement by a "string of pearls" around the India Ocean and on land as China builds ports, railways and power stations in country such as Nepal, Sri Lanka and Bangladesh. The current strategic mistrust between Delhi and Beijing will make it very difficult for Indian policymakers to accept the "One Belt, One Road" initiative in its present form Beijing has to co-design the new Silk Road with India for it to have any chance of success. If the Chinese government wants to address the trust deficit and get a larger buy-in from Indians, it will have to engage Delhi in designing and implementing "One Belt, One Road" [2; 3].

It is expected that China and New Zealand will carry out senior-level dialogue and promote communication" on macro policies and development strategies", including as to "how they will best support the Belt and Road Initiative in line with [their] comparative advantages"; it includes a numerical target for the value of two-way trade by 2020 and a commitment to "conduct mutually beneficial co-operation" in a number of fields, including infrastructure, agricultural technologies and clean energy; it provides for "cultural exchanges", including specifically in film and television"; and it commits both countries to "enhanced cooperation" in various multilateral for including APEC, the AIIB and the Pacific Islands Forum". The agreement is effective for five years, and will be renewable automatically every five years thereafter, subject to three months' notice of termination by either country. A similar understanding between Australia and China would likely be beneficial for both countries. From the standpoint of Australian businesses, it would serve to indicate that their participation in 'Belt and Road' projects has the formal endorsement of the Australian Government, and it would be a signal to Chinese businesses that participation by Australian partners in such projects is welcomed by the Chinese Government. That is likely to be helpful in pursuing business and investment opportunities. However, more specific commitments – in particular, the designation of any specific projects in Australia as part of the 'Belt and Road' – would need to demonstrate 'win-win' characteristics that would be readily evident to both sides. They should be negotiated on a case-by-case basis, with sufficient time for the claimed benefits to be properly evaluated and any costs to be assessed. In that context, it would probably assist in enhancing mutual understanding if Australia were to make clearer the criteria by which decisions regarding foreign investment are made – both in advance, and in explaining the reasons for particular decisions. As an Australian citizen, I am not satisfied by a mere declaration that a particular foreign investment proposal is 'contrary to the national interest', without at least some attempt being made to explain why – and I would imagine that foreign investors would feel much the same [6]. Australia needs to be on terms that recognize and advance Australia's own interests, and which resonate with the Australian people. At this point in time, the Belt may offer limited prospects as a platform for broader EU China cooperation on harder security issues in Eurasia. However, it does represent an opportunity for the EU to work towards closer development–security cooperation on a range of softer security or developmental topics. Pre-empting negative geopolitical and geo-economics competition with China, the EU can utilize the Belt to gradually hone strategic ties with China, and nurture greater mutual political trust and understanding of security interests. Admittedly, such engagement might take place only gradually, given geopolitical and geo-economics realities, as well as EU institutional lacunae. However, the EU could start with a strategic assessment and the creation of a forward-looking agenda that discusses the Belt's security implications in Central Asia, South Asia and other Eurasian (sub-) regions of EU security interest [7]. Theresa May has joined The UK to "Great Game" and sidestepped a Chinese push for a formal endorsement of its 900bn Silk Road strategy, suggesting Britain still has concerns about China's political objectives for the huge infrastructure project. The UK did not sign a memorandum of understanding giving Britain's official endorsement to the 900bn dol. Critics have said the project is designed to pull other countries in the region deeper into China's sphere of influence, and that it could give unfair preferential treatment to Chinese contractors. 'Global standards and cyber security' amid doubts over political aims of Xi Jinping Belt and Road plan [4; 5].

In 2014 OBOR was officially incorporated into China's national economic development strategy at the Central Economic Work Conference, the annual agenda-setting economic summit for policymakers. Beijing announced three regional development plans, one of which was OBOR.<sup>16</sup> These regional development plans are designed to address the chronic problem of uneven development in China. Inequality between inland western regions and prosperous eastern seaboard states is a huge challenge for the ruling party. For example, the coastal mega-metropolis of Shanghai is five times wealthier than the inland province of Gansu, which is part of the old Silk Road. Beijing has tried to close the gap between these provinces. Since 1999 the Chinese Government has pursued the so-called 'western development strategy' to revitalise chronically underperforming provinces including the majority Muslim autonomous region of Xinjiang. However, these efforts have produced few tangible results. Despite Beijing's preferential policies, large-scale fiscal injections and state-directed investments, the western provinces' share of China's total GDP increased only marginally from 17.1 per cent in 2000 to 18.7 per cent in 2010. One acute side effect of heavy state subsidies in these western provinces has been a high concentration of state-owned enterprises and low penetration of private firms. For example, the western regions of Xinjiang, Tibet, Qinghai, and Gansu are the four lowest-ranked provinces on the China Economic Research Institute's Free Market Index. Their average score is 2.67 (0 means no private enterprise and 10 means completely free); the national average is 6.56. Beijing is keen to try different approaches to reinvigorate these underperforming provinces and OBOR has



been touted as one of the key solutions. The economic rationale behind it is simple enough; instead of showering these provinces with more central government money, Chinese policymakers want to integrate them into regional economies. Xinjiang offers an interesting case study. As already noted, one of the most important flagship projects of OBOR is the China–Pakistan Economic Corridor, which links Kashgar in Xinjiang with the Port of Gwadar. This project, which is estimated at 46 billion dol., is also the clearest example of where OBOR's geostrategic rationale intersects with its economic drivers.

Xinjiang has a large Turkic-speaking Muslim population which has grown increasingly frustrated with Beijing's rule. Since the 1990s, Xinjiang has also become the main source of terrorism within China. "Aspirations towards greater autonomy or outright independence have never been far from the surface of political life in the province", notes Andrew Small, a leading expert on China–Pakistan relations. The spread of radical Islamism in Xinjiang is adding further complexity to an already tense situation. The ruling Communist party regards Xinjiang's separatist movement as an existential threat to the party state. Beijing believes poverty and underdevelopment is at the heart of rising militancy in the restive province and that the best strategy to address the root cause is integrating Xinjiang with the neighbouring region [3]. Chinese diplomats argue the construction of the Port of Gwadar is economically vital for landlocked Xinjiang, which is 4000 to 5000 kilometres away from China's coastal ports. Lu believes the port will significantly reduce the transport costs for the province. He further argues that the economic benefits of the corridor will help to solve Pakistan's and China political problems. The best medicine to address the terrorism problem is through tackling the incubator of terrorism, namely poverty. The head of the Chinese Central Bank in Xinjiang has made a similar argument, noting that better connectivity between the province and the Central Asian region will bring both "economic and national security dividends. Apart from developing the western region, OBOR is also expected to play an important role in revitalising economically underperforming provinces in the north-east as well as other poor regions in the southwest, bordering Southeast Asia. In fact, all Chinese provinces are keen to be involved in the national project. Many see it as a golden opportunity to obtain cheap funding and political support for their own infrastructure projects under the banner of OBOR.

Beijing expects OBOR to play an important role in facilitating the export of higher-end Chinese manufactured goods. Chinese policymakers believe emerging markets targeted under OBOR will be more willing to accept higher-end Chinese industrial goods than developed countries in North America and Europe. China is not just trying to export higher-end goods through OBOR but to encourage the acceptance of Chinese standards. The Chinese Government's focus on exporting its technological standards must be understood in terms of its broader ambition to become an innovation based economy and a leader in research and development. According to a research report prepared on behalf of the US–China Economic and Security Review Commission, "Policy makers see development of technology standards as central to realizing these objectives". Here is a popular saying in China that "Third-tier companies make products, second-tier companies make technology and first-tier companies make standards". There is a pervasive belief within China, particularly in policy circles and academia, that only companies that make standards can be considered world-class companies [3].

OBOR should will play a key role in helping Chinese companies to become more internationally competitive. 30 Under OBOR, Chinese companies and especially higher-end industrial goods manufacturers will be encouraged and expected to operate in more demanding markets and more stringent regulatory environments. The expansion of a China centred production chain will also force Chinese manufacturers to move higher up in the value chain. These efforts will be supported by Chinese financiers, who often urge loan recipients to accept Chinese-made goods as a condition of extending credit. The Chinese Government's campaign to market its high-speed railway technology is perhaps the best example of how it intends to use OBOR to upgrade China's industry. Many have dubbed Premier Li's marketing effort in this area as 'high-speed railway diplomacy. Beijing considers its high-speed railway technology to be one of the crown jewels of its advanced manufacturing industry. The Chinese Government has mobilised more than 10 000 scientists and engineers to incorporate imported foreign technology as well as to develop the country's own high-speed rail technology. The result of this effort is evident in the breathtaking development of China's high-speed rail sector. Today the country is home to more than 50 per cent of the world's total constructed high-speed railway. Chinese-made high-speed to Thailand, India, Indonesia, and Malaysia. All of these countries are considered to be key strategic partners in OBOR. And now appeared to be new difficulties [3].

It saved China (and arguably a host of other countries, including Australia) from recession by sending commodity prices sky-high. Though the stimulus program was effective, one of its lasting side effects was the creation of massive excess capacity in many industrial sectors from steel to cement. In the steel industry, for example, China's annual steel production surged from 512 million tonnes in 2008 to 803 million tonnes in 2015. To put that into perspective, the extra 300 million tonnes is larger than the combined production of the United States and the European Union.<sup>39</sup> Dealing with the country's excess capacity has become one of the top economic priorities for the Chinese Government. Beijing has described this issue as the sword of Damocles hanging over its head. Excess capacity will squeeze corporate profits, increase debt levels, and make the country's financial system more vulnerable. Many state-owned firms in sectors with excess capacity borrowed heavily during the financial crisis. The slowing economy, sluggish international demands, and the supply glut have reduced their profits. Many are struggling to keep their heads above

water. These bad loans have put the Chinese banking system under a great deal of stress. The Chinese Government has announced a number of policy measures to address the issue of excess capacity. This has included laying off 1.8 million workers from the steel and coal mining industries. The authorities are also trying to shut down polluting steel mills and blast furnaces. OBOR is another way for Chinese policymakers to address the excess capacity problem, although not in the way that some observers believe. When Xi Jinping announced OBOR, a number of observers labelled it as an effort by China to export excess industrial products to neighbouring countries. The Financial Times reported in 2015 that the grand vision for a new Silk Road began its life modestly in the bowels of China's commerce ministry as an export initiative. In terms of addressing the excess capacity problem, OBOR is less about boosting exports of products such as steel and more about moving the excess production capacity out of China. OBOR projects are currently too small to absorb China's vast glut of steel and other products. Instead, Beijing wants to use OBOR to migrate whole production facilities. Moving factories with excess capacity to OBOR countries helps China reduce the supply glut at home while helping less developed countries to build up their industrial bases. In essence, domestic economic liabilities become foreign economic and diplomatic assets. Chairman of the Silk Road Fund, a sovereign wealth fund set up in 2014 specifically to provide seed capital for OBOR projects, made this clear during one of her rare public speeches on OBOR. Jin said China currently sits in the middle of the global production chain and it can help countries at an early stage of development to industrialise. China possesses high-quality industrial production capacity, equipment, technology, ample supply of funds and 30 years of development experience. Chinese capital can help facilitate international production cooperation, and reorganise global production chain. For China, it means helping the country to export high quality production capacity, equipment, technical know-how and developmental experience. Part of this thinking is informed by China's own experience of industrialisation in the 1980s and 1990s. One senior provincial economic planning official said China imported second-hand production lines from Germany, Taiwan, and Japan in the 1980s; essentially unwanted surplus industrial capacity. Beijing thinks China's experience could be replicated in neighbouring, less-developed countries [3].

One clear example of this is the plan to migrate part of Hebei province's massive surplus steel production facilities. The province, China's largest producer of steel, wants to relocate 20 million tonnes of production capacity abroad by 2023. The plan calls for companies to move their excess steel (but also cement and plate glass production) facilities to Southeast Asia, Africa, and West Asia. For example, Delong Steel from Xintai is building a steel mill in Thailand that is capable of producing 600 000 tonnes of hot rolled coil a year in partnership with a local Thai operator, Permsin Steel Works. 48 Some Chinese researchers and officials are sceptical of how successful this aspect of OBOR is likely to be. It is questionable whether OBOR countries can actually absorb China's vast surplus production line. More importantly, will it be politically palatable for other countries to simply accept China's unwanted industrial capacity? Analysis from Anbang Research has noted that many OBOR countries are not enthusiastic about accepting China's excess capacity. In fact, some countries are hostile to the idea because in several industrial sectors, they are competing directly with China.

Scientist Shannon Tiezzi [18, pp.1-24] concerns the start date looming for U.S. tariffs on Chinese goods. And the latest round of U.S.-China trade discussions — possibly the last before tariffs take effect — ended without a breakthrough. U.S. Commerce Secretary Wilbur Ross was in Beijing on June 2 and 3 2018, for talks with Chinese officials led by Vice Premier Liu He, according to Xinhua. Neither side seemed particularly happy with the progress made at the latest discussions. The United States and China seemed to have reached a breakthrough previously, only for that agreement to come quickly undone. U.S. Treasury Secretary Steven Mnuchin declared the trade war to be “on hold”. But just nine days later, a White House statement declared the U.S. intention to place a 25 percent tariffs on 50 billion dol. worth of Chinese imports, focusing on technology products. China's Ministry of Commerce, in response, took a dig at the flip-flopping from Washington, saying that both are surprised and unsurprised at the statement, which is obviously contrary to the consensus reached between China and the U.S. in Washington not long ago. The rapid turn from tariffs to truce and back to tariffs points to divergent approaches within the Trump administration. Mnuchin, who announced the truce in mid-May, has been at loggerheads with more protectionist-minded Trump administration figures. In mid-May, a number of reports emerged claiming that Mnuchin and White House economic adviser Peter Navarro got into “a profanity-laced screaming match” during the last round of U.S.-China negotiations in Beijing. Those tensions continued last week, with Navarro dismissing Mnuchin's quote that the Trump administration was “putting the trade war on hold” as “an unfortunate soundbite.” The Trump administration's quick turn away from the trade truce may also have been motivated by the negative response to the fledgling U.S.-China deal in domestic circles. Critics accused Trump of being “soft” on China, and effectively getting taken for a ride. Given that the “framework” reached at the previous U.S.-China trade talks dissolved in a matter of days, expectations were low. A Chinese government statement noted that “the two sides have had good communication in various areas such as agriculture and energy, and have made positive and concrete progress while relevant details are yet to be confirmed by both sides.” In other words, it will take more negotiations before any sort of deal can be announced. Previously, the Chinese government had agreed to increase its purchases of U.S. agriculture and energy products in a bid to decrease the trade deficit and has promised to enact retaliatory sanctions of its own – targeting U.S. agricultural goods,

automobiles, and aircraft – as soon as the U.S. tariffs begin [19].

The idea of uniting China's less developed states appeared during the reign of Mao Zedong in his concept of "three worlds". The "first world" presented by the capitalist countries of Europe, the USA, the "second world" – by socialist camp, and the "third world" – countries which develop. China, goal according to Mao's concept, was to lead the movement of the "Third World" countries opposing the United States, Europe and the Soviet Union.

China's stratagem is aimed at reducing the influence of the United States and intercepting communications management with as many countries as possible. The closest neighbours are interested in China, first of all, for reasons of providing economic corridors to Europe. Already with Europe Chinese diplomacy intensifies communication.

This process becomes mutual. Interest in the development of relations with China is also increasing in a number of countries in Eastern Europe. The Eastern European political process has recently been complicated by the behaviour of EU leaders, who, in discussing even the most important issues; ignore the views of the countries of Eastern Europe. Particularly painful was the issue of placement of migrants. The process of meeting the views and rapprochement of China's position with the countries of Europe on economic and political issues is organized within the framework of the "16 + 1" summits, which are held with the participation of diplomats from sixteen states of Eastern and Central Europe, the Balkan Peninsula and representatives of China. Hungary is very active in this process. Although the Chinese side is pursuing its policy in Europe with respect for diplomatic accountability with the EU administration, such activity can not but disturbs the leadership of the European Union. Previously, China had virtually no influence on the countries of Eastern Europe, which were under Soviet patronage. For some time, Beijing only cooperated with Albania, Romania and Yugoslavia. Since 1990, Eastern Europe has followed the policy of the United States and the European Union. However, in the context of the emerging friction of the US leadership with the elite of the EU, the situation is changing radically in favour of China.

At the summits, China's diplomats are proposing to make impressive investments in transport infrastructure development, energy upgrading, and new jobs, which is very important in the context of the growing unemployment problem in most countries of Eastern Europe and the Balkans. To such proposals, European regional leaders are very supportive of the Chinese project. In addition, Western European countries are increasingly interested in the development of relations with China. For example, Austria is in favour of the Chinese New Silk Road to go through its territory, perfectly understanding all the benefits and the positive effects of this step.

An example of the influence of the New Silk Road on the events of world politics can be the situation in the Middle East. China's plans included a route through Iran and further through Iraq and Syria to the Mediterranean Sea. Syria became a major link in the Silk Road system. However, this way has bypassed Turkey. In this situation, Ankara lost the position of an important player in the Middle East policy and retreated to the periphery. China was not interested in organizing routes through Turkey, because Turkey has always played a key role in supporting the Uighur opposition operating in Western China. In addition, building a corridor through Syria seemed to the Chinese leadership more economically. The war in Syria has become a way of blocking the project "One Belt - One Way" on the Mediterranean route. The corridor replaces the Syrian corridor from Central Asia (Kazakhstan and Turkmenistan) through the Caspian Sea to Azerbaijan and then to Georgia, Batumi, and then to the Black and Mediterranean Seas. China is showing great interest in developing economic relations with Georgia and Azerbaijan, indicating Beijing's far-reaching plans for these Transcaucasia republics. In turn, both Azerbaijan and Georgia are also interested in crossing the Chinese corridor through their territories, as this will allow them to significantly improve their economic situation, including through infrastructure construction and investment attraction.

This stratagem was the first to call on Chinese enterprises and industries to "go out" and invest abroad. That is why OBOR is "upgrade" of China's Going Out policy for China's businesses and industries. The stratagem of the China Dream was directed to implementing balance between collective identity and individual aspirations: Chinese people feel as having a collective will and identity shaped by a difficult history. It claims that Xi as the first Chinese leader since Deng is strong enough to push through a rethinking of China's foreign policy strategy. The Belt is a long-term Chinese connectivity vision with no a priori parameters on methods, actors or mechanisms, nor much granularity to date. It therefore allows a great deal of flexibility and could become a leading new model of cooperation and global governance. The Belt will certainly expand China's overseas security interests and will require China to take an increasingly active stance on regional security affairs, not least to protect its investments. China's non-interference stance, which has already been evolving over the past few years, will likely become much more creative in the future. Yet, how this unfolds will depend on the specific security dynamics in Belt target states, as the Belt resources interest implementation progresses.

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